

		FOR OFF USE					

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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH Facility ID Number: <u>0042739</u></p> <p>Facility Name: <u>Lexington of Chicago Ridge</u></p> <p>Address: <u>10300 Southwest Highway</u> <u>Chicago Ridge</u> <u>60415</u> Number City Zip Code</p> <p>County: <u>Cook</u></p> <p>Telephone Number: <u>(708) 425-1100</u> Fax # <u>(708) 425-0779</u></p> <p>IDPA ID Number: <u>36734823001</u></p> <p>Date of Initial License for Current Owners: <u>05/27/91</u></p> <p>Type of Ownership:</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input checked="" type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> "Sub-S" Corp.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Limited Liability Co.</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Charles J. Fischer</u> Telephone Number: <u>(312) 634-4580</u> Please send copies of desk review and audit adjustments to address on this page</p>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input checked="" type="checkbox"/> "Sub-S" Corp.			<input type="checkbox"/> Limited Liability Co.			<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/05</u> to <u>12/31/05</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table style="width: 100%;"> <tr> <td style="width: 30%;">Officer or Administrator of Provider</td> <td>(Signed) _____ (Type or Print Name) _____ (Title) _____</td> </tr> <tr> <td>Paid Preparer</td> <td>(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____ (Print Name and Title) _____ (Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> (Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u></td> </tr> </table> <p style="text-align: center;">MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630</p>	Officer or Administrator of Provider	(Signed) _____ (Type or Print Name) _____ (Title) _____	Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____ (Print Name and Title) _____ (Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u> (Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>
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SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 2

Facility Name & ID Number Lexington of Chicago Ridge# 0042739 Report Period Beginning: 01/01/05 Ending: 12/31/05

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>224</u>	Skilled (SNF)	<u>224</u>	<u>81,760</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>224</u>	TOTALS	<u>224</u>	<u>81,760</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>42,505</u>	<u>7,382</u>	<u>12,739</u>	<u>62,626</u>	8
9	SNF/PED					9
10	ICF	<u>12,393</u>	<u>1,131</u>	<u>76</u>	<u>13,600</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>54,898</u>	<u>8,513</u>	<u>12,815</u>	<u>76,226</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 93.23%

D. How many bed-hold days during this year were paid by the Department?

None (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location

Date started 06/04/91

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date New constructionNO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 224 and days of care provided 10,961Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL ☒ MODIFIED
CASH* ☐ CASH* ☐Is your fiscal year identical to your tax year YES ☒ NO ☐Tax Year: 12/31/2005 Fiscal Year: 12/31/2005

* All facilities other than governmental must report on the accrual basis

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Lexington of Chicago Ridge # 0042739 Report Period Beginning: 01/01/05 Ending: 12/31/05

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
A. General Services											
1	Dietary	316,937	36,825	16,233	369,995		369,995		369,995		1
2	Food Purchase		305,667		305,667		305,667	(11,888)	293,779		2
3	Housekeeping	296,592	29,101		325,693		325,693	314	326,007		3
4	Laundry	89,090	20,369		109,459		109,459	(4,769)	104,690		4
5	Heat and Other Utilities			211,453	211,453		211,453	4,970	216,423		5
6	Maintenance	36,615		113,176	149,791		149,791	50,649	200,440		6
7	Other (specify):* Allocated Benefits							5,109	5,109		7
8	TOTAL General Services	739,234	391,962	340,862	1,472,058		1,472,058	44,385	1,516,443		8
B. Health Care and Programs											
9	Medical Director			25,825	25,825		25,825		25,825		9
10	Nursing and Medical Records	3,445,740	276,977	33,638	3,756,355		3,756,355	87,747	3,844,102		10
10a	Therapy			922,374	922,374		922,374		922,374		10a
11	Activities	214,811	24,225	4,545	243,581		243,581		243,581		11
12	Social Services	100,069		5,282	105,351		105,351		105,351		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Allocated Benefits							9,760	9,760		15
16	TOTAL Health Care and Programs	3,760,620	301,202	991,664	5,053,486		5,053,486	97,507	5,150,993		16
C. General Administration											
17	Administrative	123,281		1,057,900	1,181,181		1,181,181	(956,132)	225,049		17
18	Directors Fees										18
19	Professional Services			59,022	59,022		59,022	11,503	70,525		19
20	Dues, Fees, Subscriptions & Promotion			10,516	10,516		10,516	1,870	12,386		20
21	Clerical & General Office Expense	265,811	27,141	18,977	311,929		311,929	314,548	626,477		21
22	Employee Benefits & Payroll Tax			707,916	707,916		707,916	11,888	719,804		22
23	Inservice Training & Education			4,096	4,096		4,096		4,096		23
24	Travel and Seminar			3,613	3,613		3,613	3,378	6,991		24
25	Other Admin. Staff Transportation			2,465	2,465		2,465	11,956	14,421		25
26	Insurance-Prop.Liab.Malpractice			210,945	210,945		210,945	4,179	215,124		26
27	Other (specify):* Allocated Benefits							44,912	44,912		27
28	TOTAL General Administration	389,092	27,141	2,075,450	2,491,683		2,491,683	(551,898)	1,939,785		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,888,946	720,305	3,407,976	9,017,227		9,017,227	(410,006)	8,607,221		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Lexington of Chicago Ridge

#0042739

Report Period Beginning:

01/01/05

Ending:

12/31/05

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			77,491	77,491		77,491	179,702	257,193			30
31	Amortization of Pre-Op. & Org											31
32	Interest			27,023	27,023		27,023	316,235	343,258			32
33	Real Estate Taxes							602,301	602,301			33
34	Rent-Facility & Grounds			1,799,362	1,799,362		1,799,362	(1,795,734)	3,628			34
35	Rent-Equipment & Vehicle			8,915	8,915		8,915	2,529	11,444			35
36	Other (specify): ^a											36
37	TOTAL Ownership			1,912,791	1,912,791		1,912,791	(694,967)	1,217,824			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Center:		328,245	1,720	329,965		329,965		329,965			39
40	Barber and Beauty Shops			22,125	22,125		22,125		22,125			40
41	Coffee and Gift Shop:			7,634	7,634		7,634		7,634			41
42	Provider Participation Fee			122,640	122,640		122,640		122,640			42
43	Other (specify): ^a Nonallowable Cost			335,653	335,653		335,653	(335,653)				43
44	TOTAL Special Cost Centers		328,245	489,772	818,017		818,017	(335,653)	482,364			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,888,946	1,048,550	5,810,539	11,748,035		11,748,035	(1,440,626)	10,307,409			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Program				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Room	(4,679)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients	(4,769)	4		8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(11)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(785)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transaction				15
16	Personal Expenses (Including Transportation				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(500)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainer				22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(276,295)	43		24
25	Fund Raising, Advertising and Promotion	(16,476)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(1,526)	43		26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See attached Schedule A	(45,074)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (350,115)		\$	30

OHF USE ONLY							
48		49		50		51	52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below. (See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule	\$		31
32	Donated Goods-Attach Schedule			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(1,090,511)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,090,511)		36
37	TOTAL ADJUSTMENTS (A) and (B)	\$ (1,440,626)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport		x	\$		38
39						39
40	Gift and Coffee Shop		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of Chicago Ridge

Provider #: 0042739

01/01/05 to 12/31/05

Schedule A

VI. Adjustment Detail

Line 29 - Other

<u>Non-allowable expenses</u>	<u>Amount</u>	<u>Reference</u>
Disallow nonallowable radiology	(26,555)	43
Disallow nonallowable laboratory	(8,354)	43
Disallow nonallowable trust fees	(75)	43
Nonallowable personal replacement costs	(509)	43
Nonallowable collection fees	(5,459)	19
Disallow out of period legal fees	(4,122)	19
Total	<u>(45,074)</u>	

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of Chicago Ridge

ID# 0042739

Report Period Beginning: 01/01/05

Ending: 12/31/05

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
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41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

Summary A

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	TOTALS
1	Dietary	0	0	0	0	0	0	0	0	0	0	(to Sch V, col.7)
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0
3	Housekeeping	0	0	314	0	0	0	0	0	0	0	314
4	Laundry	(4,769)	0	0	0	0	0	0	0	0	0	(4,769)
5	Heat and Other Utilities	0	0	4,970	0	0	0	0	0	0	0	4,970
6	Maintenance	0	0	50,649	0	0	0	0	0	0	0	50,649
7	Other (specify):*	0	0	5,109	0	0	0	0	0	0	0	5,109
8	TOTAL General Services	(4,769)	0	61,042	0	0	0	0	0	0	0	56,273
B. Health Care and Programs												
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0
10	Nursing and Medical Records	0	0	87,747	0	0	0	0	0	0	0	87,747
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0
11	Activities	0	0	0	0	0	0	0	0	0	0	0
12	Social Services	0	0	0	0	0	0	0	0	0	0	0
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0
15	Other (specify):*	0	0	9,760	0	0	0	0	0	0	0	9,760
16	TOTAL Health Care and Programs	0	0	97,507	0	0	0	0	0	0	0	97,507
C. General Administration												
17	Administrative	0	0	101,768	(1,057,900)	0	0	0	0	0	0	(956,132)
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0
19	Professional Services	0	290	20,794	0	0	0	0	0	0	0	21,084
20	Fees, Subscriptions & Promotions	0	0	1,870	0	0	0	0	0	0	0	1,870
21	Clerical & General Office Expenses	0	0	307,554	6,994	0	0	0	0	0	0	314,548
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0
24	Travel and Seminar	0	0	0	3,378	0	0	0	0	0	0	3,378
25	Other Admin. Staff Transportation	0	0	0	11,956	0	0	0	0	0	0	11,956
26	Insurance-Prop.Liab.Malpractice	0	0	0	4,179	0	0	0	0	0	0	4,179
27	Other (specify):*	0	0	0	44,912	0	0	0	0	0	0	44,912
28	TOTAL General Administration	0	290	431,986	(986,481)	0	0	0	0	0	0	(554,205)
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(4,769)	290	590,535	(986,481)	0	0	0	0	0	0	(400,425)

Facility Name & ID Number Lexington of Chicago Ridge# 0042739Report Period Beginning: 01/01/05 Ending: 12/31/05

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See attached Schedule B		See attached Schedule B		Sambell of Chicago Ridge		
				Limited Partnership	Chicago Ridge	Real estate ptsp.
				Royal Mgmt. Corp.	Lombard	Mgmt. Co.
				Lexington Financial		
				Services II, L.L.C.	Lombard	Finance Co.

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line		Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V	19	Professional fees	\$	Sambell of Chicago Ridge Limited Partnership	**	\$ 290	\$ 290	1
2	V	30	Depreciation		Sambell of Chicago Ridge Limited Partnership	**	146,953	146,953	2
3	V	32	Interest expense		Sambell of Chicago Ridge Limited Partnership	**	303,540	303,540	3
4	V	32	Amortization of mortgage cost:		Sambell of Chicago Ridge Limited Partnership	**	3,209	3,209	4
5	V	33	Property taxes		Sambell of Chicago Ridge Limited Partnership	**	599,362	599,362	5
6	V	34	Rental expense	1,799,362	Sambell of Chicago Ridge Limited Partnership	**		(1,799,362)	6
7	V	43	State replacement tax		Sambell of Chicago Ridge Limited Partnership	**	26	26	7
8	V	43	Trust fees		Sambell of Chicago Ridge Limited Partnership	**	75	75	8
9	V								9
10	V								10
11	V				** The owners of Lexington Health Care Center of Chicago Ridge, Inc. own 100%				11
12	V				of Sambell of Chicago Ridge Limited Partnership				12
13	V								13
14	Total			\$ 1,799,362			\$ 1,053,455	\$ * (745,907)	14

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Chicago Ridge, Inc.

Provider # 0036996

1/1/05 - 12/31/05

Schedule B

VII. Related Parties

Owners

<u>Name</u>	<u>Ownership %</u>
James Samatas Discretionary Trust	22.33%
John Samatas Discretionary Trust	22.33%
Cynthia Thiem Discretionary Trust	22.34%
Jeffrey J. Bell Revocable Trust	8.25%
Lawrence W. Bell Revocable Trust	8.25%
David S. Bell Revocable Trust	8.25%
David S. Bell 2001 Trust	2.75%
Jeffrey J. Bell 2001 Trust	2.75%
Lawrence W. Bell 2001 Trust	2.75%

<u>Name of facility</u>	<u>City</u>
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

See Accountants' Compilation Report

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning: 01/01/05

Ending: 12/31/05

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 314	\$ 314
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	4,504	4,504
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	112	112
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	354	354
19	V	6 Management allocation - salarie		Royal Management Corp.	**	44,998	44,998
20	V	6 Repairs & maintenanc		Royal Management Corp.	**	5,527	5,527
21	V	6 Scavenger & exterminat		Royal Management Corp.	**	110	110
22	V	6 Security service		Royal Management Corp.	**	14	14
23	V	7 Management allocation - employee benefit		Royal Management Corp.	**	5,109	5,109
24	V	10 Medical consultant		Royal Management Corp.	**	1,793	1,793
25	V	10 Management allocation - salarie		Royal Management Corp.	**	85,954	85,954
26	V	15 Management allocation - employee benefit		Royal Management Corp.	**	9,760	9,760
27	V	17 Management allocation - salarie		Royal Management Corp.	**	101,768	101,768
28	V	19 Computer consultant & supplies		Royal Management Corp.	**	15,102	15,102
29	V	19 Professional fees		Royal Management Corp.	**	5,692	5,692
30	V	20 Dues & subscriptions		Royal Management Corp.	**	691	691
31	V	20 Licenses, permits & inspections		Royal Management Corp.	**	4	4
32	V	20 Advertising - help wanted		Royal Management Corp.	**	1,175	1,175
33	V	21 Management allocation - salarie		Royal Management Corp.	**	293,776	293,776
34	V	21 Bank charges		Royal Management Corp.	**	430	430
35	V	21 Office supplies & printing		Royal Management Corp.	**	9,719	9,719
36	V	21 Postage		Royal Management Corp.	**	3,629	3,629
37	V						
38	V	** Certain owners of Lexington Health Care Center of Chicago Ridge, Inc. own 100% of Royal Management Corp.					
39	Total		\$			\$ 590,535	\$ * 590,535

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning: 01/01/05

Ending: 12/31/05

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	21 Telephone	\$	Royal Management Corp.	**	\$ 6,994	\$ 6,994
16	V	24 Travel & semina		Royal Management Corp.	**	3,378	3,378
17	V	25 Auto expense		Royal Management Corp.	**	11,956	11,956
18	V	26 Insurance genera		Royal Management Corp.	**	4,179	4,179
19	V	27 Management allocation - employee benefit		Royal Management Corp.	**	44,912	44,912
20	V	30 Depreciation - vehicles		Royal Management Corp.	**	4,355	4,355
21	V	30 Depreciation - leasehold improv		Royal Management Corp.	**	7,229	7,229
22	V	30 Depreciation - equipment		Royal Management Corp.	**	21,165	21,165
23	V	32 Interest		Royal Management Corp.	**	9,478	9,478
24	V	32 Amortization of mortgage cost		Royal Management Corp.	**	19	19
25	V	33 Property taxes		Royal Management Corp.	**	2,939	2,939
26	V	34 Rent expense		Royal Management Corp.	**	3,628	3,628
27	V	35 Equipment rental		Royal Management Corp.	**	2,529	2,529
28	V	17 Management fees	1,057,900	Royal Management Corp.	**		(1,057,900)
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V	** Certain owners of Lexington Health Care Center of Chicago Ridge, Inc. own 100% of Royal Management Corp.					
39	Total		\$ 1,057,900			\$ 122,761	\$ * (935,139)

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge # 0042739 Report Period Beginning: 01/01/05 Ending: 12/31/05

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/Officer	Administrative	22.33%	See Schedule C	4.4	11%	Salary	\$ 34,757	L17, C7	1
2	John Samatas	Owner/Officer	Admin/Plant Ops	22.33%	See Schedule C	4.4	11%	Salary	24,827	L17, C7	2
3	Cynthia Thiem	Owner/Officer	Administrative	22.34%	See Schedule C	4.4	11%	Salary	24,827	L17, C7	3
4	Jason Samatas	VP of Operations	Administrative	0.00%	See Schedule C	4.4	11%	Salary	17,357	L17, C7	4
5	Daniel Thiem	Staff Accountant	Accounting	0.00%	See Schedule C	0.8	2%	Salary	1,630	L21, C7	5
6	Jeremy Samatas	Corporate Director	Quality Assurance	0.00%	See Schedule C	4.4	11%	Salary	8,509	L10, C7	6
7											7
8					All individuals work in excess of 40 hours per week.						8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 111,907		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees).
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME,
ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge# 0042739

Report Period Beginning:

01/01/05Ending: 12/31/05

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	743,165	10	\$ 2,852	\$ 81,760	\$ 314	1
2	5	Utilities - gas & electric	Bed Days	743,165	10	40,939	81,760	4,504	2
3	5	Utilities - water & sewer	Bed Days	743,165	10	1,020	81,760	112	3
4	5	Utilities - maintenance office	Bed Days	743,165	10	3,218	81,760	354	4
5	6	Management allocation - salarie	Bed Days	743,165	10	409,014	409,014	44,998	5
6	6	Repairs & maintenanc	Bed Days	743,165	10	50,234	81,760	5,527	6
7	6	Scavenger & exterminatin	Bed Days	743,165	10	998	81,760	110	7
8	6	Security service	Bed Days	743,165	10	129	81,760	14	8
9	7	Management allocation - employe	Bed Days	743,165	10	46,441	81,760	5,109	9
10	10	Medical consultant	Bed Days	743,165	10	16,297	81,760	1,793	10
11	10	Management allocation - salarie	Bed Days	743,165	10	781,289	781,289	85,954	11
12	15	Management allocation - employe	Bed Days	743,165	10	88,711	81,760	9,760	12
13	17	Management allocation - salarie	Bed Days	743,165	10	925,033	925,033	101,768	13
14	19	Computer consultant & supplies	Bed Days	743,165	10	137,269	81,760	15,102	14
15	19	Professional fees	Bed Days	743,165	10	51,742	81,760	5,692	15
16	20	Dues & subscriptions	Bed Days	743,165	10	6,285	81,760	691	16
17	20	Licenses, permits & inspections	Bed Days	743,165	10	39	81,760	4	17
18	20	Advertising - help wanted	Bed Days	743,165	10	10,677	81,760	1,175	18
19	21	Management allocation - salarie	Bed Days	743,165	10	2,670,308	2,670,308	293,776	19
20	21	Bank charges	Bed Days	743,165	10	3,905	81,760	430	20
21	21	Office supplies & printing	Bed Days	743,165	10	88,340	81,760	9,719	21
22	21	Postage	Bed Days	743,165	10	32,985	81,760	3,629	22
23	21	Telephone	Bed Days	743,165	10	63,577	81,760	6,994	23
24	24	Travel and semina	Bed Days	743,165	10	30,702	81,760	3,378	24
25	TOTALS					\$ 5,462,004	\$ 4,785,644	\$ 600,907	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge# 0042739Report Period Beginning: 01/01/05Ending: 12/31/05

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	25	Auto expense	Bed Days	743,165	10	\$ 108,672	\$ 81,760	\$ 11,956	1
2	26	Insurance genera	Bed Days	743,165	10	37,986	81,760	4,179	2
3	27	Management allocation - employe	Bed Days	743,165	10	408,231	81,760	44,912	3
4	30	Depreciation - vehicles	Bed Days	743,165	10	39,587	81,760	4,355	4
5	30	Depreciation - leasehold improv	Bed Days	743,165	10	65,712	81,760	7,229	5
6	30	Depreciation - equipment	Bed Days	743,165	10	192,380	81,760	21,165	6
7	32	Interest	Bed Days	743,165	10	86,153	81,760	9,478	7
8	32	Amortization of mortgage cost	Bed Days	743,165	10	174	81,760	19	8
9	33	Property taxes	Bed Days	743,165	10	26,714	81,760	2,939	9
10	34	Rent expense	Bed Days	743,165	10	32,978	81,760	3,628	10
11	35	Equipment rental	Bed Days	743,165	10	22,992	81,760	2,529	11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 1,021,579	\$	\$ 112,389	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	Lexington Financial						\$					\$	1
2	Services II, L.L.C.	X		Mortgage	\$42,300.00	12/29/98	5,563,000	4,402,762	01/01/08	0.0675	303,540	2	
3												3	
4												4	
5												5	
	Working Capital												
6	LaSalle Bank, N.A.		X	Working capital	Varies	04/06/02	1,000,000		5/31/2006	Prime	27,023	6	
7												7	
8												8	
9	TOTAL Facility Related				\$42,300.00		\$ 6,563,000	\$ 4,402,762			\$ 330,563	9	
	B. Non-Facility Related*												
10								Amortization of mortgage costs		3,209		10	
11								Interest income offset		(11)		11	
12								Allocated from management company		9,497		12	
13												13	
14	TOTAL Non-Facility Related						\$				\$ 12,695	14	
15	TOTALS (line 9+line14)						\$ 6,563,000	\$ 4,402,762			\$ 343,258	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)
B. Real Estate Taxes

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity. **This denial must be no more than four years old at the time the cost report is filed.**

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

FACILITY NAME	<u>Lexington of Chicago Ridge</u>	COUNTY	<u>Cook</u>
FACILITY IDPH LICENSE NUMBER	<u>0042739</u>		
CONTACT PERSON REGARDING THIS REPORT	<u>Susan Rojek</u>		
TELEPHONE (630) 458-4700		FAX #: (630) 458-4795	

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services?

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

Page 10A

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning:

01/01/05

Ending:

12/31/05

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 85,551 B. General Construction Type: Exterior Concrete Block Frame Steel Number of Stories 3C. Does the Operating Entity? ☐ (a) Own the Facility ☒ (b) Rent from a Related Organization ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions)

D. Does the Operating Entity? ☒ (a) Own the Equipment ☒ (b) Rent equipment from a Related Organization ☒ (c) Rent equipment from Completely Unrelated Organization

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

NoneF. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO
If so, please complete the following:1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized N/A
3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Resident Care	31,000	1989	\$ 505,000	1
2	Allocation from management company			17,683	2
3	TOTALS			\$ 522,683	3

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 12

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	215	1991	1991	\$ 5,143,342	\$	35	\$ 146,953	\$ 146,953	\$ 2,143,061
5	9	1995	1995	97,352	2,781	35	2,781		29,204
6									
7									
8									
Improvement Type**									
9	Leasehold Improvements	1993	1993	2,694	77	35	77		964
10	Leasehold Improvements	1994	1994	6,581	188	35	188		2,162
11	Dishwasher hood	1996	1996	2,480	248	10	248		2,356
12	Lobby repairs	1996	1996	8,698	870	10	870		8,264
13	Basement rehab	1997	1997	24,477	2,448	10	2,448		21,622
14	Wiring	1998	1998	3,428	343	10	343		2,572
15	Handrails	1998	1998	895	60	15	60		449
16	Resurface & restripe parking lot	1998	1998	4,450	445	10	445		3,337
17	Fire wall	1998	1998	2,169	62	35	62		465
18	Foyer floor tile	1999	1999	32,379	3,238	10	3,238		22,126
19	Wallpapering / painting / decorating	1999	1999	8,833	883	10	883		5,520
20	Rebuild garage area	1999	1999	1,762	50	35	50		309
21	Roof repairs	2000	2000	6,240	624	10	624		3,432
22	Electrical wiring	2000	2000	3,986	114	35	114		627
23	Electrical wiring	2000	2000	2,536	72	35	72		397
24	Kitchen rehab	2000	2000	6,623	221	35	221		1,215
25	Automatic doors	2000	2000	1,300	130	10	130		715
26	Elevator eye sensors	2000	2000	4,500	300	15	300		1,650
27	Resurface & restripe parking lot	2001	2001	3,319	332	10	332		1,494
28	Door releases	2001	2001	5,200	520	10	520		2,340
29	Carpeting	2001	2001	10,022	1,002	10	1,002		4,509
30	Roof repairs	2002	2002	25,600	1,280	20	1,280		4,907
31	Elevator upgrade	2002	2002	9,866	986	10	986		3,534
32	Painting/decorating/carpet/wallpaper	2003	2003	38,165	1,908	20	1,908		5,724
33	Rehab/new office	2003	2003	26,733	1,337	20	1,337		4,011
34	Facility rehab - construction costs, painting & decorating	2003	2003	257,174	12,859	20	12,859		32,147
35	Facility rehab - electrical	2003	2003	12,840	642	20	642		1,605
36									

*Total beds on this schedule must agree with page 2.

See Page 12A, Line 70 for total

**Improvement type must be detailed in order for the cost report to be considered complete.

SEE ACCOUNTANTS' COMPILATION REPORT

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37 Facility rehab - carpeting	2003	\$ 7,800	\$ 780	10	\$ 780	\$	\$ 1,950		37
38 Facility rehab - floor tile	2003	3,548	177	20	177		443		38
39 Kickplates/Door protectors	2004	4,095	410	10	410		683		39
40 Kitchen Fire Protection Upgrade	2004	1,428	143	10	143		238		40
41 Parking Lot - Paving and Sealcoating	2005	4,375	73	20	73		73		41
42 Kitchen Rehab	2005	19,228	160	20	160		160		42
43 Lobby/Lounge Reception Area	2005	36,503	1,065	20	1,065		1,065		43
44 Sidewalk - Raise and Support	2005	1,330	17	20	17		17		44
45 Lower Level Therapy Rehab	2005	52,525	875	20	875		870		45
46 Transitional Unit	2005	1,019	4	20	4		4		46
47 Basement Renovation	2005	3,753	31	20	31		31		47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56 Land improvements - management company	2002	27,870		15	809	809	7,277		56
57 Building - management company	2002	216,828		40	6,336	6,336	21,231		57
58 HVAC, electrical, security system - management company	2003	2,149		30	58	58	354		58
59 Key card system - management company	2004	338		20	22	22	24		59
60 VAV TX controls - management company	2005	103		20	4	4	4		60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70 TOTAL (lines 4 thru 69)		\$ 6,136,536	\$ 37,755		\$ 191,937	\$ 154,182	\$ 2,345,142		70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instruction

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 286,328	\$ 35,577	\$ 35,577		5-10 years	\$ 144,098	71
72	Current Year Purchases	82,959	4,159	4,159		5 years	4,159	72
73	Fully Depreciated Assets	476,397					476,397	73
74	Allocated from Mgmt Co.	215,691		21,165	21,165		108,676	74
75	TOTALS	\$ 1,061,375	\$ 39,736	\$ 60,901	\$ 21,165		\$ 733,330	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from Mgmt Co.			48,078		4,355	4,355		34,396	79
80	TOTALS			\$ 48,078	\$	\$ 4,355	\$ 4,355		\$ 34,396	80

E. Summary of Care-Related Asset

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 7,768,672	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 77,491	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 257,193	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 179,702	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 3,112,868	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progres

	Description	Cost	
92	First floor therapy	\$ 185	92
93			93
94			94
95		\$ 185	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column f

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
 2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
 If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	Allocated from management company				3,628			6
7	TOTAL				\$ 3,628			7

8. List separately any amortization of lease expense included on page 4, line 34.
 This amount was calculated by dividing the total amount to be amortized
 by the length of the lease _____.

9. Option to Buy: ☐ YES ☐ NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
 16. Rental Amount for movable equipment: \$ \$ 11,444 Description: Copier: \$8,631, Fax \$284; Allocation from management company: \$2,529
 (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

10. Effective dates of current rental agreement:
 Beginning _____
 Ending _____

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	<u>/2006</u>	\$ _____
13.	<u>/2007</u>	\$ _____
14.	<u>/2008</u>	\$ _____

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wage (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities:

\$ _____

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit.
- (c) For in-house training programs only. Do not include fringe benefit.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	6,865	\$ 418,829	\$	6,865	\$ 418,829	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		914	64,077		914	64,077	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		7,803	439,468		7,803	439,468	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				328,245		328,245	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10			hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): Dentist	L39, C3				1,720			1,720	13
14	TOTAL			\$	15,582	\$ 924,094	\$ 328,245	15,582	\$ 1,252,339	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 275,136	\$ 294,583	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 1,016,000)	1,304,096	1,304,096	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	83,128	83,128	6
7	Other Prepaid Expenses	15,138	15,138	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Escrow		88,401	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,677,498	\$ 1,785,346	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	7,944	7,944	12
13	Land		522,683	13
14	Buildings, at Historical Cost		5,143,342	14
15	Leasehold Improvements, at Historical Cost	745,906	993,194	15
16	Equipment, at Historical Cost	455,583	1,109,453	16
17	Accumulated Depreciation (book methods)	(410,795)	(3,112,868)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (sp Construction in progr	185	185	22
23	Other(specify): Unamortized mortgage costs		41,710	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 798,823	\$ 4,705,643	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,476,321	\$ 6,490,989	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 382,025	\$ 382,025	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	392,869	392,869	30
31	Accrued Taxes Payable (excluding real estate taxes)	6,609	6,609	31
32	Accrued Real Estate Taxes(Sch.IX-B)		568,200	32
33	Accrued Interest Payable		24,765	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See attached Schedule E	609,895	137,349	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,391,398	\$ 1,511,817	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		4,402,762	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 4,402,762	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 1,391,398	\$ 5,914,579	46
47	TOTAL EQUITY (page 18, line 24)	\$ 1,084,923	\$ 576,410	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 2,476,321	\$ 6,490,989	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Chicago Ridge, Inc.

Provider # 0036996

1/1/05 - 12/31/05

Schedule E

XV. Balance Sheet

C. Current Liabilities

36. Other Current Liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Accrued rent	472,546	
Accrued management fees	9,742	9,742
Accrued 401(k) contribution	41,179	41,179
Due from related party	16,754	16,754
Other accrued expenses	69,674	69,674
	<hr/>	<hr/>
Total line 36	<u>609,895</u>	<u>137,349</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,743,123	1
2	Restatements (describe):		2
3	Post Closing Entries	(211,238)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,531,885	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,299,038	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(1,746,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (446,962)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 1,084,923	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning: 01/01/05

Ending:

12/31/05

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached

Note: This schedule should show gross revenue and expenses. Do not net revenue against expenses

1			
	Revenue	Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 11,769,610	1
2	Discounts and Allowances for all Levels	(1,035,770)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,733,840	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,678,647	6
7	Oxygen	532	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,679,179	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop	9,442	12
13	Barber and Beauty Care	27,483	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio	2	15
16	Rental of Facility Space		16
17	Sale of Drugs	411,502	17
18	Sale of Supplies to Non-Patient		18
19	Laboratory	28,626	19
20	Radiology and X-Ray	22,360	20
21	Other Medical Services	129,345	21
22	Laundry	4,769	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 633,529	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income**	11	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 11	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Investment Income	514	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 514	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,047,073	30

2			
	Expenses	Amount	
A. Operating Expenses			
31	General Services	1,472,058	31
32	Health Care	5,053,486	32
33	General Administration	2,491,683	33
B. Capital Expense			
34	Ownership	1,912,791	34
C. Ancillary Expense			
35	Special Cost Centers	695,377	35
36	Provider Participation Fee	122,640	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 11,748,035	40
41	Income before Income Taxes (line 30 minus line 40)**	1,299,038	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,299,038	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number Lexington of Chicago Ridge# 0042739Report Period Beginning: 01/01/05Ending: 12/31/05

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	2,104	2,220	\$ 109,558	\$ 49.35	1
2	Assistant Director of Nursing	3,704	3,907	128,861	32.98	2
3	Registered Nurses	50,297	54,888	1,677,551	30.56	3
4	Licensed Practical Nurses	7,520	8,425	196,783	23.36	4
5	CNAs & Orderlies	101,541	109,192	1,263,866	11.57	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,112	5,629	69,121	12.28	8
9	Activity Director	2,033	2,121	34,864	16.44	9
10	Activity Assistants	16,654	17,994	179,947	10.00	10
11	Social Service Worker	5,546	5,759	100,069	17.38	11
12	Dietician	1,855	2,278	38,613	16.95	12
13	Food Service Supervisor	393	500	7,585	15.17	13
14	Head Cook	1,957	2,122	26,434	12.46	14
15	Cook Helpers/Assistants	12,047	13,186	113,602	8.62	15
16	Dishwashers	18,177	19,252	130,703	6.79	16
17	Maintenance Worker	2,371	2,509	36,615	14.59	17
18	Housekeepers	36,050	39,308	296,592	7.55	18
19	Laundry	11,226	12,099	89,090	7.36	19
20	Administrator	2,106	2,286	123,281	53.93	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	15,441	16,143	265,811	16.47	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	296,134	319,818	\$ 4,888,946 *	\$ 15.29	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	272	\$ 16,233	L1, C3	35
36	Medical Director	Monthly	25,825	L9, C3	36
37	Medical Records Consultant	16	853	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	1,200	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	94	4,545	L11, C3	44
45	Social Service Consultant	102	5,282	L12, C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	484	\$ 53,938		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses		N/A		51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes				F. Dues, Fees, Subscriptions and Promotions			
Name	Function	Ownership %	Amount	Description		Amount	Description		Amount		
Marichu Bueno	Administrator	0.00%	\$ 123,281	Workers' Compensation Insurance		\$ 84,200	IDPH License Fee		\$		
				Unemployment Compensation Insurance		59,093	Advertising: Employee Recruitment		7,277		
				FICA Taxes		357,761	Health Care Worker Background Check (Indicate # of checks performed 100)		1,000		
				Employee Health Insurance		144,727	Miscellaneous Dues & Subs		590		
				Employee Meals		11,888	Miscellaneous Licenses & Permits		1,649		
				Illinois Municipal Retirement Fund (IMRF)*							
				401(k) Contributions		29,359					
				Life Insurance		6,521					
				Other Employee Benefits		26,255					
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.			\$ 123,281				Allocated from management company		1,870		
B. Administrative - Other							Less: Public Relations Expense		()		
Description			Amount				Non-allowable advertising		()		
Management fees (eliminated in column 7)			\$ 1,057,900				Yellow page advertising		()		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,057,900	TOTAL (agree to Schedule V, line 22, col.8)		\$ 719,804	TOTAL (agree to Sch. V, line 20, col. 8)		\$ 12,386		
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees				G. Schedule of Travel and Seminar**d			
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description		Amount		
Altschuler, Melvoin & Glasser LLP	Accounting		\$ 14,674			\$	Out-of-State Travel		\$		
American Express Tax & Bus. Svcs.	Accounting		4,625								
Grabowski Law Center, LLC.	Collections		3,095	N/A							
James Samatas	Legal		100				In-State Travel				
Personnel Planners	U/C Consulting		1,594								
Sachnoff & Weaver	Legal		8,643								
Scott & Krause	Legal		382								
Freedman, Anselmo & Lindburg	Collections		84				Seminar Expense		3,613		
Gilson, Labus & Silverman	Accounting		352								
Serpico, Novelle, Petrosino & Rascia	Legal		5,540								
ING	401 (k) Administration		1,155				Allocated from management company		3,378		
See attached Schedule F			18,778				Entertainment Expense		()		
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)			\$ 59,022	TOTAL		\$	(agree to Sch. V, line 24, col. 8)		\$ 6,991		

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

****See instructions.**

Lexington Health Care Center of Chicago Ridge, Inc.

Provider # 0036996

1/1/05- 12/31/05

Schedule F

XIX. Support Schedules

C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Katten Muchin Zavis Rosenman	Legal	792
eHealth Solutions	Computer Services	2,600
Advanced Answers on Demand, Inc.	Computer Services	2,633
AdminaStar	Computer Services	366
McAfee	Computer Services	88
Information Controls, Inc.	Computer Services	1,156
Action Computer Services	Computer Services	325
National Datacare	Computer Services	3,103
Covad Communications	Computer Services	1,319
Microsoft	Computer Services	4,116
Systematic Management Systems	Collections	2,280
		<u>18,778</u>
Total, Agrees to Schedule V, Line 19, Column 3		<u>59,022</u>
Allocated from management co.		
American Express Tax & Business Services	Accounting	371
AM & G	Accounting	138
AccountTemps	Accounting	1,152
Gilson, Labus and Silverman	Accounting	234
James Samatas	Legal	30
Sachnoff and Weaver	Legal	136
Katten Muchin Zavis Rosenman	Legal	19
ILIAC / Pension Administrators	401 (k) Administration	929
Personnel Planners	U/C Consulting	8
Gene Whitehorn	Medicaid Billing Consultant	2,675
Various	Computer Consulting	15,102
Allocated from building partnership		
James Samatas	Filing and recording fees	100
Royal Management	Biennial Renewal Report	190
Nonallowable legal fees		
Grabowski Law Center, LLC	Collection fees	(3,095)
Freedman, Anselmo & Lindberg	Collection fees	(84)
Systematic Management Systems	Collection fees	(2,280)
Disallow out of period legal fees		
Katten Muchin Zavis Rosenman	Out of period fees	(482)
Serpico, Novelle, Petrosino & Rascia, Ltd.	Out of period fees	(3,640)
Total, Agrees to Schedule V, Line 19, Column 8		<u>70,525</u>

See Accountants' Compilation Report

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
 (See instructions.)

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	5 6 7 8 9 10 11 12 13 Amount of Expense Amortized Per Year								
					FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2							N/A						
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Chicago Ridge

0042739

Report Period Beginning:

01/01/05

Ending:

12/31/05

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount N/A
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 67,384 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 122,640
This amount is to be recorded on line 42 of Schedule V
- (12) Are there any salary costs which have been allocated to more than one line on Schedule for an individual employee? No If YES, attach an explanation of the allocation

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services if the patient census listed on page 2, Section B No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 11,888 Has any meal income been offset against related costs? No Indicate the amount \$ N/A
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel No
If YES, attach a complete explanation
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0%
d. Have vehicle usage logs been maintained Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fee

RECONCILIATION REPORT

11:45 AM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-1,440,626	equal to	-1,440,626	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	343,258	equal to	343,258	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	602,301	equal to	602,301	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	257,193	equal to	257,193	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	3,628	equal to	3,628	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	11,444	equal to	11,444	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages		equal to		0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	922,374	equal to	922,374	0	O.K.	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	328,245	equal to	328,245	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	1,472,058	equal to	1,472,058	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	5,053,486	equal to	5,053,486	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	2,491,683	equal to	2,491,683	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	1,912,791	equal to	1,912,791	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	695,377	equal to	695,377	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	122,640	equal to	122,640	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	3,376,619	equal to	3,445,740	-69,121	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	214,811	equal to	214,811	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	100,069	equal to	100,069	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	316,937	equal to	316,937	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	36,615	equal to	36,615	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	296,592	equal to	296,592	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	89,090	equal to	89,090	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	123,281	equal to	123,281	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	265,811	equal to	265,811	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	4,888,946	equal to	4,888,946	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	16,233	< or = to	16,233	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	25,825	< or = to	25,825	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	2,053	< or = to	33,638	-31,585	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	4,545	< or = to	4,545	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	5,282	< or = to	5,282	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	123,281	equal to	123,281	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	1,057,900	equal to	1,057,900	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	59,022	equal to	59,022	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	719,804	equal to	719,804	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	12,386	equal to	12,386	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	6,991	equal to	6,991	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Participo. Fees	122,640	equal to	122,640	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	11,888	< or = to	11,888	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	11,888	equal to	11,888	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	10,961	equal to	12,739	-1,778	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	-1,090,511	equal to	-1,090,511	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	4,402,762	equal to	4,402,762	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	568,200	equal to	568,200	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	522,683	equal to	522,683	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	6,136,536	equal to	6,136,536	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	1,109,453	equal to	1,109,453	0	O.K.	Pg13 O22+L13	C. & D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	3,112,868	equal to	3,112,868	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	1,084,923	equal to	1,084,923	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	1,299,038	equal to	1,299,038	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	2,476,321	equal to	2,476,321	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1

Lexington of Chicago Ridge
IDPA Comparative Data - Per Resident Day Cost
Year Ending 12/31/05

Enter your HSA # in next column
Census (Pulls from Page 2)

1

76,226

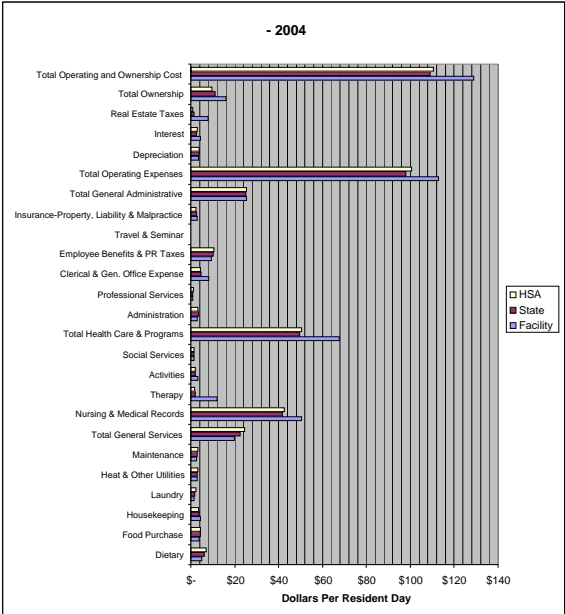
Cost Report Line	Description	Your Facility		Average Median Cost Per Day		State	HSA	IDPA LTC Profiles											10th %	90th %												
		State	HSA	LTC Median Per Diem Cost by HSA - 2003 Cost Reports 2003 (Run June 1, 2004)																												
UN-INFLATED																																
Cost Report Line	Description	State	HSA	State	HSA	State	HSA	State	HSA	State	HSA	State	HSA	State	HSA	State	HSA	State														
1	Dietary	4.85	6.01	7.02	1	Dietary	6.01	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	4.13	9.81												
2	Food Purchase	3.85	4.31	4.47	2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	3.36	6.04												
3	Housekeeping	4.28	3.70	3.59	3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	2.48	5.80												
4	Laundry	1.37	1.85	2.23	4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	0.91	3.14												
5	Heat & Other Utilities	2.84	2.95	3.17	5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	2.05	4.25												
6	Maintenance	2.63	3.01	3.26	6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	1.92	5.12												
8	Total General Services	19.89	22.58	24.49	8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.47	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73	17.57	31.51												
10	Nursing & Medical Records	50.43	41.83	42.52	10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	27.25	64.47												
10A	Therapy	12.10	2.10	1.86	10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	-	10.55												
11	Activities	3.20	1.91	2.18	11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	1.06	3.45												
12	Social Services	1.38	1.42	1.45	12	Social Services	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.60	1.12	1.45	1.27	0.58	3.00												
16	Total Health Care & Programs	67.58	49.48	50.39	16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49	32.10	77.23												
17	Administration	2.95	3.36	3.33	17	Administration	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.46	3.04	3.33	3.17	1.71	7.21												
19	Professional Services	0.93	0.99	1.09	19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	0.07	3.44												
21	Clerical & Gen. Office Expense	8.22	4.79	4.32	21	Clerical & Gen. Office Expense	4.32	4.79	3.98	4.97	3.46	5.56	5.56	5.56	5.56	5.04	4.32	4.25	2.49	10.78												
22	Employee Benefits & PR Taxes	9.44	10.09	10.42	22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	6.33	19.34												
24	Travel & Seminar	0.09	0.08	0.10	24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07	-	0.43												
26	Insurance-Property, Liability & Malpractice	2.82	2.58	2.47	26	Insurance-Property, liability & Malpractice	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.85	2.19	2.47	2.61	0.88	4.32												
28	Total General Administrative	25.45	24.94	25.31	28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93	16.95	39.14												
29	Total Operating Expenses	112.92	98.06	100.77	29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71	69.40	142.56												
30	Depreciation	3.37	3.70	3.82	30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	1.01	8.43												
32	Interest	4.50	2.54	2.81	32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	-	11.53												
33	Real Estate Taxes	7.90	1.38	0.92	33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	-	4.85												
37	Total Ownership	15.98	11.11	9.73	37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.40	9.73	8.39	3.76	23.58												
TOTAL OPERATING & OWNERSHIP CC																			109.17	110.50	109.83	109.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10	73.16	166.14

Notes:

Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.

The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

Notes:
Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.
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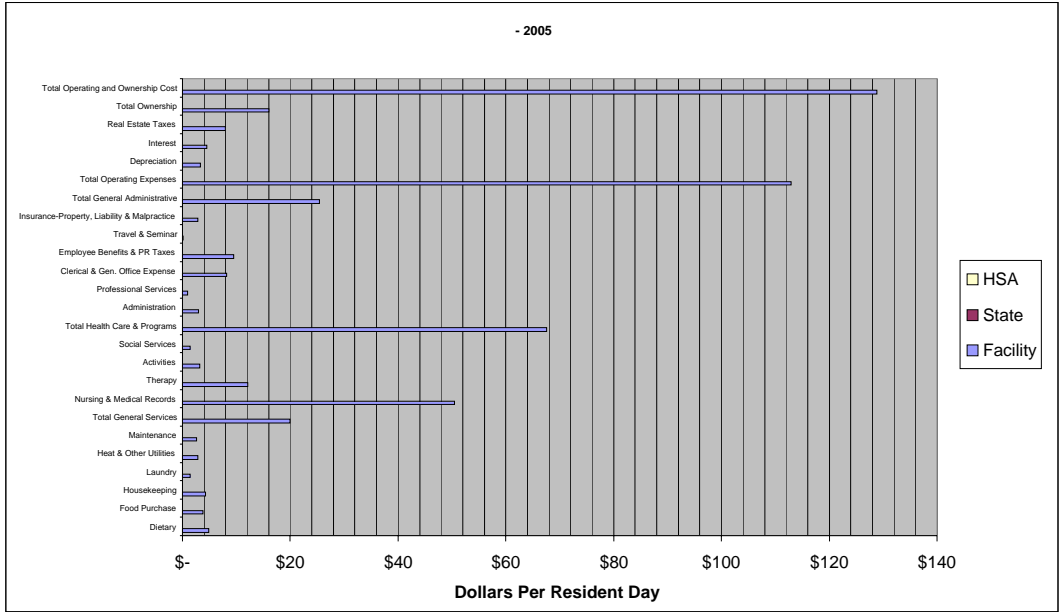


Cost Report Line	Description	2005			2004			2003			2002		
		Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA
1	Dietary	4.85	-	-	#DIV/0!	-	-	#DIV/0!	6.10	5.70	#DIV/0!	6.01	5.60
2	Food Purchase	3.85	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.11	#DIV/0!	4.27	4.09
3	Housekeeping	4.28	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.61	#DIV/0!	3.65	3.48
4	Laundry	1.37	-	-	#DIV/0!	-	-	#DIV/0!	1.85	2.13	#DIV/0!	1.90	2.23
5	Heat & Other Utilities	2.84	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.95	#DIV/0!	2.71	2.73
6	Maintenance	2.63	-	-	#DIV/0!	-	-	#DIV/0!	3.01	2.82	#DIV/0!	2.99	2.92
8	Total General Services	19.89	-	-	#DIV/0!	-	-	#DIV/0!	22.58	21.73	#DIV/0!	22.09	22.04
10	Nursing & Medical Records	50.43	-	-	#DIV/0!	-	-	#DIV/0!	41.83	42.15	#DIV/0!	40.68	41.16
10A	Therapy	12.10	-	-	#DIV/0!	-	-	#DIV/0!	2.10	2.24	#DIV/0!	1.85	2.27
11	Activities	3.20	-	-	#DIV/0!	-	-	#DIV/0!	1.91	1.54	#DIV/0!	1.88	1.60
12	Social Services	1.38	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.27	#DIV/0!	1.44	1.32
16	Total Health Care & Programs	67.58	-	-	#DIV/0!	-	-	#DIV/0!	49.48	49.49	#DIV/0!	47.55	47.76
17	Administration	2.95	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.17	#DIV/0!	3.39	3.54
19	Professional Services	0.93	-	-	#DIV/0!	-	-	#DIV/0!	0.99	0.77	#DIV/0!	0.98	0.72
21	Clerical & Gen. Office Expense	8.22	-	-	#DIV/0!	-	-	#DIV/0!	4.79	4.25	#DIV/0!	4.58	4.31
22	Employee Benefits & PR Taxes	9.44	-	-	#DIV/0!	-	-	#DIV/0!	10.09	9.08	#DIV/0!	9.63	8.44
24	Travel & Seminar	0.09	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.07	#DIV/0!	0.09	0.09
26	Insurance-Property, Liability & Malpractice	2.82	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.61	#DIV/0!	2.19	2.03
28	Total General Administrative	25.45	-	-	#DIV/0!	-	-	#DIV/0!	24.94	22.93	#DIV/0!	23.47	21.93
29	Total Operating Expenses	112.92	-	-	#DIV/0!	-	-	#DIV/0!	98.06	94.71	#DIV/0!	94.39	91.33
30	Depreciation	3.37	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.38	#DIV/0!	3.53	3.04
32	Interest	4.50	-	-	#DIV/0!	-	-	#DIV/0!	2.54	1.50	#DIV/0!	2.73	1.54
33	Real Estate Taxes	7.90	-	-	#DIV/0!	-	-	#DIV/0!	1.38	1.11	#DIV/0!	1.30	1.03
37	Total Ownership	15.98	-	-	#DIV/0!	-	-	#DIV/0!	11.11	8.39	#DIV/0!	11.44	10.00
	Total Operating and Ownership Cost	128.89	-	-	#DIV/0!	-	-	#DIV/0!	103.10	103.10	#DIV/0!	105.83	101.30

Notes:

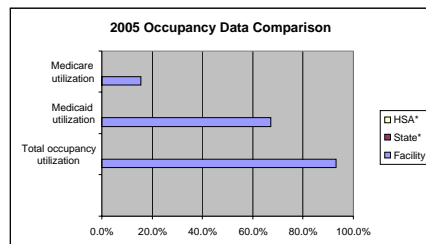
Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day, for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



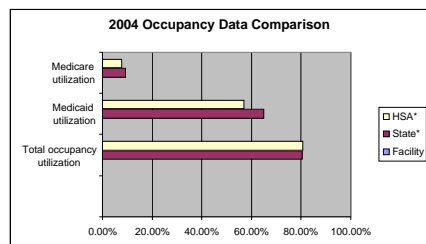
2005

	Your		
	Facility	State*	HSA*
Total occupancy utilization	93.23%	0.00%	0.00%
Medicaid utilization	67.15%	0.00%	0.00%
Medicare utilization	15.58%	0.00%	0.00%
Private pay percent utilization	10.41%	N/A	N/A
Capacity in Patient Days	81,760	N/A	N/A
Census days of service provided	76,226	N/A	N/A



2004

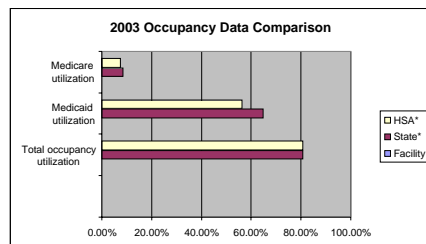
	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.50%	80.70%
Medicaid utilization	#DIV/0!	65.00%	57.00%
Medicare utilization	#DIV/0!	9.40%	7.70%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A



* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

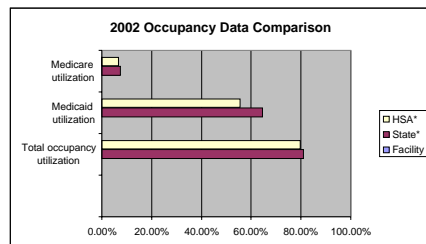
2003

	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.80%	80.80%
Medicaid utilization	#DIV/0!	64.80%	56.40%
Medicare utilization	#DIV/0!	8.50%	7.50%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A



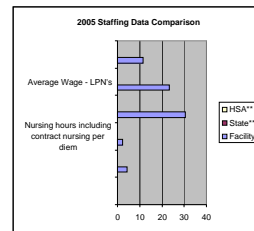
2002

	Your Facility	State*	HSA*
Total occupancy utilization	#DIV/0!	80.90%	79.60%
Medicaid utilization	#DIV/0!	64.50%	55.50%
Medicare utilization	#DIV/0!	7.40%	6.80%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days	N/A	N/A	N/A
Census days of service provided	N/A	N/A	N/A

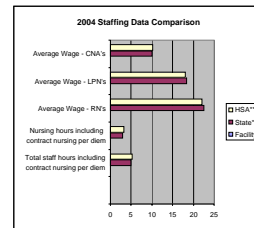


Lexington of Chicago Ridge
Comparative Staffing Data
Year Ending 12/31/05
HSA 1

2005			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	4.20	0.00	0.00
Nursing hours including contract nursing per diem	2.34	0.00	0.00
Average Wage - RN's	30.56	0.00	0.00
Average Wage - LPN's	23.36	0.00	0.00
Average Wage - CNA's	11.57	0.00	0.00



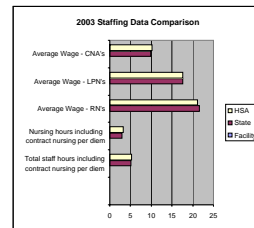
2004			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	5.00	5.30	
Nursing hours including contract nursing per diem	3.00	3.20	
Average Wage - RN's	22.54	22.05	
Average Wage - LPN's	18.40	18.02	
Average Wage - CNA's	10.02	10.13	



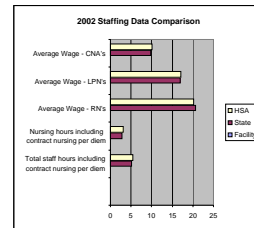
** State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

Lexington of Chicago Ridge
Comparative Staffing Data
Year Ending 12/31/05
HSA 1

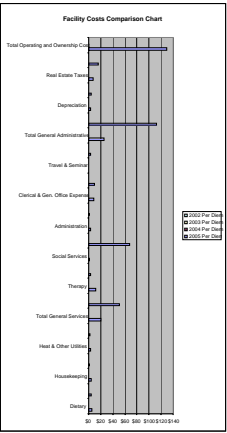
2003			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.10	5.30	
Nursing hours including contract nursing per diem	2.90	3.20	
Average Wage - RN's	21.56	21.14	
Average Wage - LPN's	17.64	17.65	
Average Wage - CNA's	9.91	10.11	



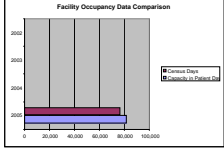
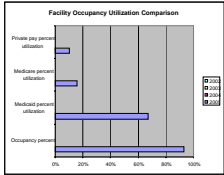
2002			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.20	5.50	
Nursing hours including contract nursing per diem	2.80	3.10	
Average Wage - RN's	20.69	20.12	
Average Wage - LPN's	16.89	17.04	
Average Wage - CNA's	9.73	10.05	



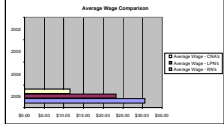
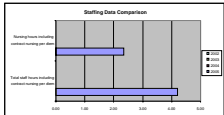
Cost Report Line	Account	Year 2003	Year 2004	Year 2005	Year 2006
		Facility	Facility	Facility	Facility
		2003	2004	2005	2006
		Per Bed	Per Bed	Per Bed	Per Bed
1	Stony	4.85	4500.00	4500.00	4500.00
2	Food Purchase	2.85	4500.00	4500.00	4500.00
3	Housekeeping	4.28	4500.00	4500.00	4500.00
4	Laundry	1.17	4500.00	4500.00	4500.00
5	Heat & Other Utilities	2.84	4500.00	4500.00	4500.00
6	Maintenance	2.65	4500.00	4500.00	4500.00
8	Total General Services	18.89	4500.00	4500.00	4500.00
10	Nursing & Medical Records	50.41	4500.00	4500.00	4500.00
10A	Therapy	12.10	4500.00	4500.00	4500.00
11	Activities	1.26	4500.00	4500.00	4500.00
12	Social Services	1.28	4500.00	4500.00	4500.00
14	Total Health Care & Programs	67.78	4500.00	4500.00	4500.00
17	Administration	2.67	4500.00	4500.00	4500.00
19	Professional Services	6.11	4500.00	4500.00	4500.00
21	Child & Gen. Office Expense	6.22	4500.00	4500.00	4500.00
22	Employee Benefits & FR Taxes	6.43	4500.00	4500.00	4500.00
24	Travel & Lodging	0.88	4500.00	4500.00	4500.00
26	Insurance-Property, Liability & Malpractice	2.82	4500.00	4500.00	4500.00
28	Total General Administration	25.47	4500.00	4500.00	4500.00
29	Total Operating Expenses	112.12	4500.00	4500.00	4500.00
30	Depreciation	3.27	4500.00	4500.00	4500.00
32	Interest	4.36	4500.00	4500.00	4500.00
33	Real Estate Taxes	1.90	4500.00	4500.00	4500.00
37	Total Ownership	10.98	4500.00	4500.00	4500.00
Total Operating and Ownership Cost		128.89	4500.00	4500.00	4500.00



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Occupancy percent	92.03%	95.00%	95.00%	95.00%
Medicaid percent utilization	47.15%	45.00%	45.00%	45.00%
Medicare percent utilization	52.84%	45.00%	45.00%	45.00%
Private pay percent utilization	52.84%	45.00%	45.00%	45.00%
Capacity in Patient Days	87,760	0	0	0
Census Days	76,248	0	0	0



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Total staff hours including contract nursing per day	4.26	0.00	0.00	0.00
Nursing hours including contract nursing per day	2.36	0.00	0.00	0.00
Average Wage - BSN	\$6.98	0.00	0.00	0.00
Average Wage - LPN	23.86	0.00	0.00	0.00
Average Wage - CNA	11.27	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	316,937	36,825	16,233	369,995	0	369,995	0	369,995
2. Food Purchase	0	305,667	0	305,667	0	305,667	-11,888	293,779
3. Housekeeping	296,592	29,101	0	325,693	0	325,693	314	326,007
4. Laundry	89,090	20,369	0	109,459	0	109,459	-4,769	104,690
5. Heat and Other Utilities	0	0	211,453	211,453	0	211,453	4,970	216,423
6. Maintenance	36,615	0	113,176	149,791	0	149,791	50,649	200,440
7. Other (specify)*	0	0	0	0	0	0	5,109	5,109
8. Total General Services	739,234	391,962	340,862	1,472,058	0	1,472,058	44,385	1,516,443
9. Medical Director	0	0	25,825	25,825	0	25,825	0	25,825
10. Nursing & Medical Records	3,445,740	276,977	33,638	3,756,355	0	3,756,355	87,747	3,844,102
10a. Therapy	0	0	922,374	922,374	0	922,374	0	922,374
11. Activities	214,811	24,225	4,545	243,581	0	243,581	0	243,581
12. Social Services	100,069	0	5,282	105,351	0	105,351	0	105,351
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	9,760	9,760
16. Total Health Care & Programs	3,760,620	301,202	991,664	5,053,486	0	5,053,486	97,507	5,150,993
17. Administrative	123,281	0	1,057,900	1,181,181	0	1,181,181	-956,132	225,049
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	59,022	59,022	0	59,022	11,503	70,525
20. Fees, Subscriptions & Promotion	0	0	10,516	10,516	0	10,516	1,870	12,386
21. Clerical & General Office	265,811	27,141	18,977	311,929	0	311,929	314,548	626,477
22. Employee Benefits & Payroll	0	0	707,916	707,916	0	707,916	11,888	719,804
23. Inservice Training & Education	0	0	4,096	4,096	0	4,096	0	4,096
24. Travel and Seminar	0	0	3,613	3,613	0	3,613	3,378	6,991
25. Other Admin. Staff Trans	0	0	2,465	2,465	0	2,465	11,956	14,421
26. Insurance-Prop.Liab.Malpractice	0	0	210,945	210,945	0	210,945	4,179	215,124
27. Other (specify)*	0	0	0	0	0	0	44,912	44,912
28. Total General Adminis	389,092	27,141	2,075,450	2,491,683	0	2,491,683	-551,898	1,939,785
29. Total General Administrative	4,888,946	720,305	3,407,976	9,017,227	0	9,017,227	-410,006	8,607,221
30. Depreciation	0	0	77,491	77,491	0	77,491	179,702	257,193
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	27,023	27,023	0	27,023	316,235	343,258
33. Real Estate	0	0	0	0	0	0	602,301	602,301
34. Rent - Facility & Grounds	0	0	1,799,362	1,799,362	0	1,799,362	-1,795,734	3,628
35. Rent - Equipment & Vehicles	0	0	8,915	8,915	0	8,915	2,529	11,444
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,912,791	1,912,791	0	1,912,791	-694,967	1,217,824
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	328,245	1,720	329,965	0	329,965	0	329,965
40. Barber and Beauty Shop	0	0	22,125	22,125	0	22,125	0	22,125
41. Coffee and Gift Shops	0	0	7,634	7,634	0	7,634	0	7,634
42. Provider Participation	0	0	122,640	122,640	0	122,640	0	122,640
43. Other (specify):*	0	0	335,653	335,653	0	335,653	-335,653	0
44. Total Special Cost Ce	0	328,245	489,772	818,017	0	818,017	-335,653	482,364
45. Grand Total	4,888,946	1,048,550	5,810,539	11,748,035	0	11,748,035	-1,440,626	10,307,409

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	275,136	294,583
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	1,304,096	1,304,096
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	83,128	83,128
7. Other Prepaid Expenses	15,138	15,138
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	0	88,401
10. Total current assets	1,677,498	1,785,346
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	7,944	7,944
13. Land	0	522,683
14. Buildings, at Historical Cost	0	5,143,342
15. Leasehold Improvements, Historical Cost	745,906	993,194
16. Equipment, at Historical Cost	455,583	1,109,453
17. Accumulated Depreciation (book methods)	-410,795	-3,112,868
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	185	185
23. other (specify):	0	41,710
24. Total Long-Term Assets	798,823	4,705,643
25. Total Assets	2,476,321	6,490,989
CURRENT LIABILITIES		
26. Accounts Payable	382,025	382,025
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	392,869	392,869
31. Accrued Taxes Payable	6,609	6,609
32. Accrued Real Estate Taxes	0	568,200
33. Accrued Interest Payable	0	24,765
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	609,895	137,349
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	1,391,398	1,511,817
LONG TERM LIABILITES		
39.Long-Term Notes Payable	0	0
40.Mortgage Payable	0	4,402,762
41.Bonds Payable	0	0
42.Deferred Compensation	0	0
43.Other Long-Term Liabilities (specify):	0	0
44.Other Long-Term Liabilities (specify):	0	0
45.Total Long-Term Liabilities	0	4,402,762
46.Total Liabilities	1,391,398	5,914,579
47.Total Equity	1,084,923	576,410
48.Total Liabilities and Equity	2,476,321	6,490,989

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	11,769,610
2. Discounts and Allowances for all Levels	-1,035,770
Subtotal - Inpatient Care	10,733,840
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	1,678,647
7. Oxygen	532
Subtotal - Ancillary Revenue	1,679,179
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	9,442
13. Barber and Beauty Care	27,483
14. Non-Patient Meals	0
15. Telephone, Television, and Radio	2
16. Rental of Facility Space	0
17. Sale of Drugs	411,502
18. Sale of Supplies to Non-Patients	0
19. Laboratory	28,626
20. Radiology and X-Ray	22,360
21. Other Medical Services	129,345
22. Laundry	4,769
Subtotal - Other Operating Revenue	633,529
24. Contributions	0
25. Interest and Other Investments Income	11
Subtotal - Non-Operating Revenue	11
27. Other Revenue (specify):	514
28. Other Revenue (specify):	0
Subtotal - Other Revenue	514
30. Total Revenue	13,047,073
31. General Services	1,472,058
32. Health Care	5,053,486
33. General Administration	2,491,683
34. Ownership	1,912,791
35. Special Cost Centers	695,377
35. Provider Participation Fee	122,640
37. Other	0
40. Total Expenses	11,748,035
41. Income Before Income Taxes	1,299,038
42. Income Taxes	0
43. Net Income or Loss for the Year	1,299,038

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LTC Median Per Diem Cost by HSA - 2005 Cost Reports
2005 (Run June 1, 2004)

UN-INFLATED

[illegible]

	Lexington of Chicago Ridge	of Chicago Ridge	2005 Census
Cost	2005 Costs		
Report			76,226
<u>Line</u>	<u>Description</u>		
1	Dietary		
2	Food Purchase		
3	Housekeeping		
4	Laundry		
5	Heat & Other Utilities		
6	Maintenance		
8	TOTAL GENERAL SERVICES		
10	Nursing & Medical Records		
10A	Therapy		
11	Activities		
12	Social Services		
16	TOTAL HEALTH CARE & PROGRAMS		
17	Administration		
19	Professional Services		
21	Clerical & Gen. Office Expense		
22	Employee Benefits & PR Taxes		
24	Travel & Seminar		
26	Insurance-Property, Liability & Malpractice		
28	TOTAL GENERAL ADMINISTRATIVE		
29	TOTAL OPERATING EXPENSES		
30	Depreciation		
32	Interest		
33	Real Estate Taxes		
37	TOTAL OWNERSHIP		
	TOTAL OPERATING & OWNERSHIP COST		

Total staff hours including contract nurses per diem
Nursing hours including contract nurses per diem
RN
LPN
CNA
DON
ADON

[illegible]

Average Occupancy
Medicaid Utilization
Medicare Utilization

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11

LTC Median Per Diem Cost by HSA - 2004 Cost Reports
2004 (Run June 1, 2004)

**Lexington
of
Chicago
Ridge
2004
Costs**

Lexington
of
Chicago
Ridge
2004
Census

Cost Report	
<u>Line</u>	<u>Description</u>
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
7	TOTAL GENERAL SERVICES
8	
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2003 Cost Reports
2003 (Run June 1, 2004)

UN-INFLATED

Cost Report	Description	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
Line			1	2	3	4	5	6	7	8	9	10	11
1	Dietary	6.10	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70
2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11
3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61
4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13
5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95
6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82
8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73
10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15
10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24
11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54
12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27
16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49
17	Administration	3.36	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	3.17
19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77
21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25
22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08
24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07
26	Insurance-Property, liability & Malpractice	2.58	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61
28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93
29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71
30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38
32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50
33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11
37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	8.39
	TOTAL OPERATING & OWNERSHIP COST	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10

10th % 90th %

10th %	90th %
4.13	9.81
3.36	6.04
2.48	5.80
0.91	3.14
2.05	4.25
1.92	5.12
17.57	31.51
27.25	64.47
-	10.55
1.06	3.45
0.58	3.00
32.10	77.23
1.71	7.21
0.07	3.44
2.49	10.78
6.33	19.34
-	0.43
0.88	4.32
16.95	39.14
69.40	142.56
1.01	8.43
-	11.53
-	4.85
3.76	23.58
73.16	166.14

Lexington
of Chicago
Ridge

Lexington
n of
Chicago
Ridge

2003
Census

Cost Report	Description
Line	
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

Average Wage Data Table

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Total staff hours including contract nurses per diem	5.10	5.30	5.30	5.00	5.30	5.10	4.90	4.90	4.90	5.10	5.30	5.30
Nursing hours including contract nurses per diem	2.90	3.20	3.10	3.10	3.10	3.00	2.70	2.70	2.70	3.00	3.20	3.10
RN	21.56	21.14	19.99	18.79	19.99	16.66	24.55	24.55	24.55	22.85	21.14	20.33
LPN	17.64	17.65	16.41	14.79	16.41	13.36	20.23	20.23	20.23	18.67	17.65	16.45
CNA	9.91	10.11	9.89	9.19	9.89	8.28	10.44	10.44	10.44	10.54	10.11	9.76
DON	27.82	26.67	24.49	23.07	24.49	20.82	33.29	33.29	33.29	29.65	26.67	24.62
ADON	24.39	22.67	21.12	19.67	21.12	18.73	27.45	27.45	27.45	26.14	22.67	22.50

2003 - Staffing and Occupancy Data

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Average Occupancy	80.80%	80.80%	80.60%	79.90%	80.60%	75.20%	82.00%	82.00%	82.00%	81.60%	80.80%	77.30%
Medicaid Utilization	64.80%	56.40%	57.70%	59.60%	57.70%	62.80%	70.00%	70.00%	70.00%	64.30%	56.40%	59.30%
Medicare Utilization	8.50%	7.50%	7.50%	7.70%	7.50%	8.70%	9.10%	9.10%	9.10%	9.30%	7.50%	8.00%

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2002 Cost Reports
2002 (Run June 1, 2004)

UN-INFLATED

Cost Report	State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

Cost Report	State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.05	1.19	1.00	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

2002 - Average Wage Data Table

State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Total staff hours including contract nursing per diem	5.20	5.50	5.40	5.00	5.40	5.10	5.00	5.00	4.90	5.50	5.30	
Nursing hours including contract nurses per diem	2.80	3.10	3.10	3.00	3.10	2.90	2.60	2.60	2.60	3.10	3.00	
RN	20.69	20.12	19.18	18.37	19.18	16.06	23.49	23.49	23.49	21.31	20.12	19.45
LPN	16.89	17.04	15.72	14.33	15.72	12.75	19.39	19.39	19.39	17.96	17.04	15.69
CNA	9.73	10.05	9.65	9.09	9.65	8.08	10.28	10.28	10.28	10.39	10.05	9.62
DON	26.38	24.75	22.98	22.48	22.98	20.02	31.78	31.78	31.78	28.56	24.75	23.68
ADON	23.27	21.44	20.51	18.93	20.51	17.26	26.34	26.34	26.34	24.33	21.44	21.27

2002 - Staffing and Occupancy Data

State- Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11	
Average Occupancy	80.90%	79.60%	81.90%	80.30%	81.90%	75.30%	82.20%	82.20%	82.20%	82.00%	79.60%	76.60%
Medicaid Utilization	64.50%	55.50%	56.10%	58.50%	56.10%	63.30%	69.90%	69.90%	69.90%	66.70%	55.50%	60.90%
Medicare Utilization	7.40%	6.80%	7.20%	6.10%	7.20%	7.40%	7.70%	7.70%	7.70%	8.20%	6.80%	7.00%